

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 545 (First Edition)

SHORT TITLE: Modify Henderson Co. Occupancy Tax.

SPONSOR(S): Representative McGrady

FISCAL IMPACT					
(\$ in millions)					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Local Impact					
Revenues:					
Expenditures:					
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:

Henderson County Tourism Development Authority

EFFECTIVE DATE: This act is effective when it becomes law.

TECHNICAL CONSIDERATIONS:

None

BILL SUMMARY:

House Bill 545 amends Sections 5 and 6 of SL 1987-172, as amended, to require that the Henderson County Tourism Development Authority use at least two-thirds of the net proceeds of the Henderson County room occupancy and tourism development tax to promote travel and tourism in the county, with the remainder for tourism expenses. It deletes the delineation of uses based on where the proceeds were from the first 5% or the additional 1% tax, thereby removing the allocation to the Vagabond School of the Drama Inc. The bill makes a technical correction to Section 2(b) of SL 2012-144. And it repeals Section 3, which required the Authority to use at least two-thirds of the funds remitted to it to promote travel and tourism in Henderson County and use the remainder for tourism-related expenditures.

ASSUMPTIONS AND METHODOLOGY:

House Bill 545 amends current law to eliminate the language allocating 1% of the Henderson County room occupancy tax to the maintenance, operation, renovation, and promotion of the

Vagabond School of the Drama Inc. Two-thirds of Henderson County's full 6% room occupancy rate will be required to promote travel and tourism in the county, while the remaining one-third shall be used for tourism expenses.

The bill is modifying how the Henderson County occupancy tax proceeds can be used, and there is no fiscal impact as a result of these changes.

SOURCES OF DATA:

TECHNICAL CONSIDERATIONS: None

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DATE: May 6, 2013



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